

BEFORE THE PUBLIC UTILITIES COMMISSION
OF THE STATE OF HAWAII

In the matter of the Application of)
HAWAIIAN ELECTRIC COMPANY, INC.)
For Approval of Rate Increases and)
Revised Rate Schedules and Rules,)
and for Approval and/or)
Modification of Demand-Side and)
Load Management Programs and)
Recovery of Program Costs and DSM)
Utility Incentives.)

DOCKET NO. 04-0113

PUBLIC UTILITIES
COMMISSION

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FILED

COUNTY OF MAUI'S MOTION FOR PARTICIPATION WITHOUT INTERVENTION

VERIFICATION OF KALVIN K. KOBAYASHI

CERTIFICATE OF SERVICE

DEPARTMENT OF THE CORPORATION COUNSEL 205

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_____)	

COUNTY OF MAUI'S MOTION FOR PARTICIPATION WITHOUT INTERVENTION

The COUNTY OF MAUI ("COUNTY") by and through its attorneys BRIAN T. MOTO, Corporation Counsel, and CINDY Y. YOUNG, Deputy Corporation Counsel, hereby moves for participation without intervention in Docket No. 04-0113, in the matter of the application of Hawaiian Electric Company, Inc. ("HECO") for approval of rate increases and revised rate schedules and rules, and for approval and/or modification of demand-side and load management programs and recovery of program costs and DSM utility incentives. No hearing is requested on this motion.

In support of its Motion, the COUNTY represents and asserts it meets the requirements for participation without intervention, consistent with title 6, section 61-56 (b), Hawaii Administrative Rules.

1. STATEMENT OF THE DIRECT AND SUBSTANTIAL INTEREST OF THE APPLICANT

The COUNTY has an interest in any impacts that demand-side management ("DSM") resources would have on the public and on the overall economy of the COUNTY, specifically in the delivery of safe, affordable, and reliable energy. Public Utilities Commission ("PUC") Docket No. 04-0113, investigates matters that affect the cost and availability of DSM on the islands of Maui, Molokai, and Lanai.¹

2. APPLICANT'S POSITION REGARDING THE MATTER IN CONTROVERSY

The COUNTY's position relative to DSM is consistent with its position in Docket No. 6617, investigating integrated resource planning, and Docket No. 96-0493, investigating competition in the electric utility industry.

In Docket No. 6617, the COUNTY supported lost revenue recovery and shareholder incentives for utility DSM programs. However, pursuant to Order No. 19093, Docket No. 95-0142, item II.B.12, it appears that the instant proceeding will cause MECO to cease accrual of lost margins and shareholder incentives (see footnote 1). The COUNTY's position in the instant proceeding is to ensure that DSM is aggressively pursued, whether or not lost revenue recovery and shareholder incentives are maintained.

¹ Pursuant to Order No. 19093, Docket No. 95-0142, item II.B.12, "MECO agrees to take the necessary steps to implement any changes ordered or approved by the commission in HECO's next rate case with respect to program costs within one year from when such costs are incorporated into HECO's rates as a result of HECO's next rate case. At that time, MECO agrees to cease accrual of lost margins and shareholder incentives."

In Docket No. 96-0493, the COUNTY stated:

" ... (u)tility incentives, like lost revenue recovery mechanisms and shareholder incentives, raise the cost of DSM programs which reduces the competitiveness of the retail energy services market against the grid services market. To address this market barrier, an investigation should look at alternate ways to deliver DSM programs without utility incentives."²

The COUNTY's position in the instant proceeding is to advocate consideration of alternative, non-utility DSM delivery mechanisms.

3. THE EXTENT TO WHICH PARTICIPATION WILL NOT BROADEN THE ISSUES OR DELAY THE PROCEEDING

The COUNTY's participation will not unduly broaden the issues or delay the proceeding.

4. THE EXTENT TO WHICH THE APPLICANT'S INTEREST WILL NOT BE REPRESENTED BY EXISTING PARTIES

None of the parties known to the COUNTY have the same interests as the COUNTY as a large consumer and as the governing entity of the public affairs of the Maui County. As previously identified in footnote 1, Maui Electric Company and the Department of Commerce and Consumer Affairs, Division of Consumer Advocacy, agreed to end DSM provisions for lost margins and shareholder incentives, a position contrary to the COUNTY's position in Docket No. 6617. The COUNTY has no alternate means available to present its interests and concerns before the PUC.

5. STATEMENT OF THE EXPERTISE, KNOWLEDGE OR EXPERIENCE POSSESSED BY THE APPLICANT WITH REGARD TO THE MATTER IN CONTROVERSY

The COUNTY has been an intervenor and an advisory group member of the Integrated Resource Planning process since its inception,

² Page 21 of the County of Maui's Statement of Position.

and has intervened in Docket No. 96-0493, relating to DSM issues. With the information and experience from its intervention in these dockets, participation in IRP advisory groups, and the expertise of its energy coordinator, the COUNTY has the necessary expertise, knowledge, and experience to intervene in this docket.

6. WHETHER THE APPLICANT CAN AID THE PUC BY SUBMITTING AN AFFIRMATIVE CASE

The COUNTY, as stated above, has the background and interest in the issues to be addressed in this docket. It also has knowledge of conditions on the islands of Maui, Molokai, and Lanai, and can assist the PUC by providing its assessment of the various issues, and their effect on Maui County and its citizen-ratepayers.

7. STATEMENT OF THE RELIEF DESIRED

The COUNTY cannot formulate a statement of the relief it desires, as its desired relief will be affected by the issues raised by the other parties to the docket. However, the COUNTY will be seeking a decision in this docket that promotes the health and welfare of its citizen-ratepayers and the economy of the COUNTY, and that protects the interests of the COUNTY as a major ratepayer.

For the foregoing reasons, the COUNTY respectfully requests the Public Utilities Commission to grant the COUNTY participation status without intervention in Docket No. 04-0113.

DATED: Wailuku, Maui, Hawaii, February 11, 2005.

BRIAN T. MOTO
Corporation Counsel
Attorney for Intervenor
COUNTY OF MAUI

By Cindy Y. Young
CINDY Y. YOUNG
Deputy Corporation Counsel

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VERIFICATION OF KALVIN K. KOBAYASHI

STATE OF HAWAII)
COUNTY OF MAUI) SS.


Kalvin K. Kobayashi, being first duly sworn on oath, deposes and says:

1. That I am the Energy Coordinator for the County of Maui.
2. That I make this verification for and on behalf of the County of Maui.
3. That I have read the foregoing County of Maui's Motion to Participate without Intervention In the Public Utilities Commission's Docket No. 04-0113 and attest that the information set forth therein is correct and accurate.

Further Affiant sayeth naught.


KALVIN K. KOBAYASHI

Subscribed and sworn to before me
this 11th day of February, 2005.


Notary Public, State of Hawaii
Kay A. Ogasawara
My commission expires: 7/1/05

LS.

CERTIFICATE OF SERVICE

I hereby certify that copies of the foregoing document were duly served upon the following by United States mail, postage prepaid, on February 11, 2005, addressed as follows:

DEPARTMENT OF COMMERCE AND CONSUMER AFFAIRS Division of Consumer Advocacy 335 Merchant St., Rm. 326 Honolulu, Hawaii 96813	2 copies
--	----------

EDWARD L. REINHARDT, President Maui Electric Company, Ltd. 210 West Kamehameha Avenue P.O. Box 398 Kahului, Hawaii 96733-6898	1 copy
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WILLIAM A. BONNET, Vice-President Hawaiian Electric Company, Inc. Hawaii Electric Light Company, Inc. Maui Electric Company, Limited P.O. Box 2750 Honolulu, Hawaii 96840-0001	1 copy
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DATED: Wailuku, Maui, Hawaii, February 11, 2005.

BRIAN T. MOTO
Corporation Counsel
Attorney for Intervenor
COUNTY OF MAUI

By Cindy Y. Young
CINDY Y. YOUNG
Deputy Corporation Counsel